

# TEST YOURSELF

## **A. Reasons to reduce inequality**

1. Why is significant income inequality often considered unjust?
2. How does redistribution contribute to social justice?
3. In what ways can extreme inequality threaten social stability?
4. Why can too much inequality lead to distrust in political institutions?
5. How does limiting inequality strengthen trust between citizens and the government?
6. How can inequality slow down economic growth?
7. Explain how equal access to education and healthcare can boost a country's economy.
8. What is the link between inequality and poverty?
9. How can income redistribution help meet basic needs such as housing and food?
10. What evidence exists that more equal societies enjoy better health and well-being?

## **B. Instruments before entering the labour market**

11. How does compulsory education reduce inequality between generations?
12. Why is free access to education important for equal opportunities?
13. How does Finland's education system serve as an example of reducing inequality?
14. Why is language considered essential for newcomers to integrate into society?
15. What role do integration programmes play in reducing labour market disadvantages?
16. How do Canadian integration policies support newcomers in finding work?
17. What kind of extra support is offered to students who fall behind in Finland?
18. How do anti-discrimination laws contribute to fairer opportunities?
19. Why is enforcing equal pay between men and women important for reducing inequality?
20. How does a sound legal framework both prevent and correct social inequality?

### **C. Instruments after entering the labour market**

21. What are income taxes and why are they important for governments?
22. How does a progressive tax system work in practice?
23. In what way do progressive taxes redistribute wealth?
24. What kinds of public services are financed through income taxes?
25. What is the difference between a replacement income and a supplementary income in social security?
26. Give an example of a replacement income provided by the social security system.
27. Give an example of a supplementary income provided by the social security system.
28. How does the social security system act as a safety net?
29. Why do people with higher incomes contribute more to social security?
30. How do subsidies for education reduce the gap between rich and poor?
31. Why is cheap or free public transport important for social mobility?
32. How do quasi-public goods help remove structural barriers that maintain poverty?

### **D. Effectiveness and challenges**

33. What is the difference between tax avoidance and tax evasion?
34. How do tax avoidance and evasion weaken the redistributive effect of taxation?
35. Why are higher incomes often better able to shift money into tax havens?
36. What is the Matthew effect in the context of social security?
37. How does universal child benefit illustrate the Matthew effect?
38. Why do tax deductions like pension savings often benefit high-income groups the most?
39. How does the Matthew effect weaken the redistributive role of social security?
40. What are the possible negative consequences of privatising quasi-public goods such as public transport?